

# **CITIZENS' REVIEW COMMITTEE**

**P.O. Box 1968**

**Grand Island, NE 68802-1968**

**Phone: (308) 385-5444, ext. 111**

**Fax: (308) 385-5486**

## **AGENDA**

**Tuesday, August 28, 2012**

**7:30 a.m.**

**Council Chambers**

**Grand Island City Hall**

1. Call to Order ..... Lisa Willman
2. Roll Call.....RaNae Edwards
3. Approval of April 3, 2012 Meeting Minutes ..... Committee
4. Presentation of Annual Report..... Marlan Ferguson
5. Review of GI Area Economic Development Corp. Funding Application..... Marlan Ferguson
6. New Business..... Committee
7. Adjournment..... Lisa Willman

## OFFICIAL PROCEEDINGS

### CITY OF GRAND ISLAND, NEBRASKA

#### MINUTES OF CITIZENS' REVIEW COMMITTEE

April 3, 2012

Pursuant to due call and notice thereof, a Regular Meeting of the Citizens' Review Committee (CRC) of Grand Island, Nebraska was conducted in the Council Chambers of City Hall, 100 East First Street, on April 3, 2012. Notice of the meeting was given in *The Grand Island Independent* on March 29, 2012.

Chairman Lisa Willman called the meeting to order at 7:30 a.m. The following board members were present: Lisa Willman, Tim White, Mark Stelk, Dehn Renter, James Phipps, and Bill Thiemann. Dan Eakes was absent. The following City Officials were present: City Clerk RaNae Edwards, City Administrator Mary Lou Brown and City Attorney Robert Sivick.

APPROVAL OF MINUTES. Motion was made by Bill Thiemann, second by Dehn Renter to approve the minutes of the September 13, 2011 CRC meeting. Upon roll call vote, all voted aye. Motion adopted.

PRESENTATION OF SEMI-ANNUAL REPORT. Marlan Ferguson, President of the Grand Island Area Economic Development Corporation (GIAEDC) reported that as required by the Economic Development Program plan, an annual report was to be submitted to the CRC for approval and then forwarded to the City Council for approval.

The City of Grand was growing and would continue to grow due to the past leadership, visioning, listening, hard work, and planning of those involved with the LB-840 program. Approximately 20% of all jobs in the community were manufacturing. In 2011 over 700 new jobs were created with major expansion from Case IH, Standard Iron, Hornady Manufacturing, Global Industries and Chief Industries. Additional growth in the secondary job market was experienced with Olive Garden, Buffalo Wings, Panera Bread, Freddy's, Road House, Napoli's and Fed-X to name a few.

Mr. Ferguson stated since 2003 there had been over 3,300 new jobs created with an estimated payroll of more than \$36 million every year. Over \$3.9 million in total real estate taxes from 2003 to 2011 and over \$26 million in real estate valuation.

The following LB-840 projects had fulfilled some or all of their contractual obligations in the past six months: Ace Machine Shop, Standard Iron, Case IH #1, Heritage Disposal and Storage, Love Signs, O'Neill Wood Resources, and Rouge Mfg.

This was the ninth year of the ten year program. The top goal for EDC in 2012 was to make sure voters would again approve the passage of LB-840.

The following people serve as the 2012 Board of Trustees:

Ann Martin, Chairman	Tom Pirnie, Vice Chairman
Tom Gdowski, Secretary/Treasurer	Roger Bullington
KC Hehnke	Jay Kaspar
Galen Stehlik	William "Bill" Westering

The following people serve as the 2012 Advisory Board:

Mayor Jay Vavricek	Peg Gilbert
Mary Lou Brown	Pam Lancaster
Dr. Lynn Black	Dr. Rob Winter
Cindy Johnson	Terry Pfeifer
Jim Hartman	Randy Kissinger
Mike Olson	

Discussion was held concerning efforts by EDC for the upcoming election on the LB-840 plan. Mr. Ferguson stated they had been in contact with City officials and the EDC board. A Study Session before the City Council would be held in April. Mr. Ferguson explained the process and timeline of applications submitted.

Mentioned was the LB-840 plan may go to the General Election in November 2012. City Administrator Mary Lou Brown stated they were looking at tightening up the plan and this would be presented to the City Council at their April 17, 2012 Study Session.

Motion by Tim White, second by Mark Stelk to approve the semi-annual report. Upon roll call vote, all voted aye. Motion adopted.

CONSIDERATION OF LB 840 APPLICATION (Medbery Fabrication LLC) Mr. Ferguson presented an application from Medbery Fabrication LLC for LB-840 funds in the amount of \$34,000 for new equipment and a forgivable loan of \$42,000 for 14 additional employees for a total of \$76,000. Mr. Ferguson stated Medbery Fabrication LLC was an existing business which repaired and maintained returnable containers which Case IH vendors use for shipping parts and materials to the plant.

The company had outgrown both its current location and its workforce. The new equipment would assist the new employees and assist the company in its continued growth. Average hourly wage for the 14 new employees would be \$13.50 to be hired over the next three years.

Ed Medbery commented on the future of the returnable containers with Case IH. They were exploring other companies and fabrication opportunities. He stated he had contributed his own money to this project. Explained were the employees he had working for him.

Comments were made regarding the language in the contract. Mr. Medbery stated he was satisfied with the contract.

Motion was made by Bill Thiemann, second by Mark Stelk to approve the Medbery Fabrication LLC application for LB-840 funding in the amount of \$76,000. Upon roll call vote, all voted aye. Motion adopted.

NEW BUSINESS: None.

ADJOURNMENT: Motion was made by Tim White, second by James Phipps to adjourn at 8:00 a.m. Upon roll call vote, all voted aye. Motion adopted.

RaNae Edwards  
City Clerk

DRAFT

Citizens Review Committee Report for LB 840  
Presented by Marlan Ferguson, President  
Grand Island Area Economic Development Corporation  
September 11, 2012  
City Hall Council Chambers

The City of Grand Island Economic Development Program Plan was approved by the citizens at an election on May 6<sup>th</sup> 2003. The effective date of the Plan was October 1, 2003. The Plan often times is referred to as LB-840 or the Local Option Municipal Development Act.

The plan allocates \$750,000 annually, from General Fund revenues, from the City of Grand Island, for a period of 10 years, for promotion, recruiting, public relations, advertising, and incentives for retention and expansion of business and industry.

The State Statute required the establishment of a Citizen's Review Committee to (1) Review the function and progress of the Economic Development Program and (2) Report to the City Council on it's findings and suggestions at a public hearing called for that purpose at least once in every six-month period after the effective date of the ordinance.

Over the past year, the GIAEDC brought forward one application for funding – Medbury Fabrication, LLC which was awarded \$76,000. During the same period, there were 10 audits and the following industries have complied with the terms of their agreement:

Case IH #2 - \$50,000 (job creation) – 73 jobs  
Hastings Foods - \$23,333.33 (job creation) – 50 jobs  
Hornady Mfg. #1 - \$53,333.34 (job creation) final report – 77 jobs  
Hornady Mfg. #2 - \$75,000 (expansion)  
Hornady Mfg. #2 - \$41,666.66 (job creation) – 50 jobs  
Love Signs - \$14,000 (job creation) final report – 20 jobs  
Nova-Tech, Inc. - \$20,000 (job creation) – 30 jobs  
O'Neill Wood Resources - \$5,000 (job creation) final report – 15 jobs  
Rogue Mfg. - \$35,000 (expansion) – 5 jobs  
Standard Iron #2 - \$150,000 (expansion) – 25 jobs

A complete recap from Finance Director Jaye Monter has been provided to each of you. The current balance of the fund is \$193,738.93 (report attached).

It should be also noted that the Platte Valley Industrial Park infrastructure project for \$575,000 has begun. The water and sewer along Wildwood is completed and sewer along Schimmer Road is under construction. A change to the grant was approved by the State of Nebraska and City Council to allow Blaine Street to be paved with the remaining funding from the grant. The total project cost is \$2.2 million and is expected to be completed by December 31, 2012.

Continuing the community's jobs growth momentum is the goal of the More Good Jobs for Grand Island campaign urging voters to renew LB 840, the Grand Island Economic Development Program. Announcement of the campaign was on July 18th at Nova-Tech, Inc., in Grand Island's Platte Valley Industrial Park.

The More Good Jobs for Grand Island Committee is comprised of many local residents, including members of the Grand Island Area Economic Development Corporation. The campaign committee is chaired by Bill Marshall, chairman of Five Points Bank. Campaign Treasurer is Steve Kunzman, Senior Vice President of Home Federal Bank. Your support to renew the program on November 6<sup>th</sup> will be appreciated.

Other communities in the state have watched Grand Island become a leader in economic development and are now trying to catch up with their own incentive programs. Grand Island's LB-840 program has positively impacted Grand Island in many ways:

- 1,188 direct full time jobs were created with the assistance of the program since 2003.
- Over 2,100 indirect jobs were also created, giving Grand Island over 3,300 total new jobs.
- The jobs created by LB-840 recipients have resulted in an estimated payroll of over \$36 million a year!

- Over \$24 million in real estate valuation has been added to Grand Island from 2003 through 2011.
- Over \$5.5 million in total real estate taxes have been generated since 2003.

Between now and November 6, 2012, we hope you help the committee spread the word to Vote "Yes" on the renewal of the Grand Island Economic Job program.

Thank you for your interest and support.

**LB840 EDC FUND RECONCILIATION****Contribution by the City for Grand Island Economic Development**

Fund 238-A/C #23811402

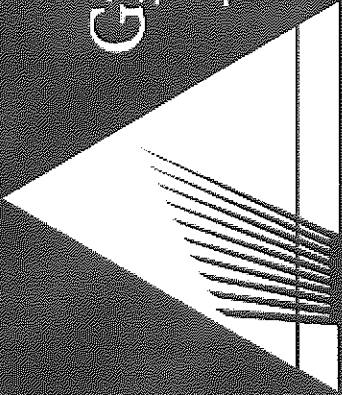
<b>DATE</b>	<b>RECEIPTS</b>	<b>PAYMENTS</b>	<b>DETAIL</b>	<b>BALANCE</b>
<b>FISCAL 2004</b>				
10/31/2003	400,000.00		City transfer to EDC Fund	\$400,000.00
11/17/2003	76,305.00		Grant received for paving	\$476,305.00
12/09/2003		(76,305.00)	GIAEDC, for Gold Core Road paving	\$400,000.00
02/11/2004	38,005.00		Grant received for paving	\$438,005.00
06/08/2004		(38,005.00)	GIAEDC, for Gold Core Road paving	\$400,000.00
08/10/2004		(200,000.00)	GIAEDC, for Standard Iron	\$200,000.00
2004	2,403.00		Interest earned	\$202,403.00
2004		(22,500.00)	City administrative fee	\$179,903.00
<b>FISCAL 2005</b>				
10/12/2004		(100,000.00)	GIAEDC, for Heritage Disposal	\$79,903.00
03/01/2005	400,000.00		City transfer to EDC Fund	\$479,903.00
04/12/2005		(42,000.00)	GIAEDC, for Love Signs	\$437,903.00
05/10/2005		(200,000.00)	GIAEDC, for CXT	\$237,903.00
2005	10,434.81		Interest earned	\$248,337.81
2005		(22,500.00)	City administrative fee	\$225,837.81
<b>FISCAL 2006</b>				
10/31/2005	750,000.00		City transfer to EDC Fund	\$975,837.81
10/31/2005		(22,500.00)	City administrative fee	\$953,337.81
11/08/2005		(350,000.00)	GIAEDC Annual Funding Request	\$603,337.81
05/31/2006		(13.16)	Grand Island Independent, Public Notice	\$603,324.65
08/08/2006		(20,000.00)	J.C. Doyle, Inc./LTD	\$583,324.65
9/30/2006	13,992.58		Interest earned	\$597,317.23
<b>FISCAL 2007</b>				
10/1/2006	750,000.00		City transfer to EDC Fund	\$1,347,317.23
10/10/2006		(350,000.00)	GIAEDC Annual Funding Request	\$997,317.23
10/1/2006		(22,500.00)	City administrative fee	\$974,817.23
11/28/2006		(45,000.00)	O'Neill Wood Resources	\$929,817.23
11/28/2006		(325,000.00)	CNH America, LLC expansion	\$604,817.23
05/22/2007		(154,000.00)	Hornady Manufacturing, Inc.	\$450,817.23
05/22/2007		(330,000.00)	Principal Life Insurance Co.	\$120,817.23
9/20/2007	27,259.19		Interest earned YTD	\$148,076.42
<b>FISCAL 2008</b>				
11/30/2007	750,000.00		City transfer to EDC Fund	\$898,076.42
11/13/2007		(350,000.00)	GIAEDC Annual Funding Request	\$548,076.42
11/13/2007		(22,500.00)	City administrative fee	\$525,576.42
3/11/2008		(160,000.00)	Nova Tech, Inc.	\$365,576.42
3/11/2008		(70,000.00)	Hastings Foods, Inc.	\$295,576.42
09/30/2008	19,015.70		Interest earned YTD	\$314,592.12
<b>FISCAL 2009</b>				
10/31/2008	750,000.00		City transfer to EDC Fund	\$1,064,592.12
10/31/2008		(22,500.00)	City administrative fee	\$1,042,092.12
10/31/2008		(350,000.00)	GIAEDC Annual Funding Request	\$692,092.12
12/23/2008	300,000.00		Principal Life Insurance Co.-Paid back loan	\$992,092.12
02/24/2009		(32,500.00)	Ace Machine Shop & Sales	\$959,592.12
09/30/2009	14,854.36		Interest earned YTD	\$974,446.48
09/30/2009	0.41		Adjust to actual cash balance	\$974,446.89
<b>FISCAL 2010</b>				
10/13/2009	750,000.00		City transfer to EDC Fund	\$1,724,446.89



**LB840 EDC FUND RECONCILIATION****Contribution by the City for Grand Island Economic Development**

Fund 238-A/C #23811402

<b>DATE</b>	<b>RECEIPTS</b>	<b>PAYMENTS</b>	<b>DETAIL</b>	<b>BALANCE</b>
10/13/2009		(350,000.00)	GIAEDC Annual Funding Request	\$1,374,446.89
10/13/2009		(22,500.00)	City administrative fee	\$1,351,946.89
12/29/2009		(600,000.00)	Structured Solutions	\$751,946.89
05/19/2010	14,000.00		Love Signs-pay back loan	\$765,946.89
08/31/2010	11,767.12		Interest earned thru 8/31/10	\$777,714.01
09/28/2010		(200,000.00)	Hornady Manufacturing, Inc.	\$577,714.01
09/30/2010	432.91		Interest earned	\$578,146.92
<b>FISCAL 2011</b>				
10/01/2010	750,000.00		City transfer to EDC Fund	\$1,328,146.92
10/01/2010		(22,500.00)	City administrative fee	\$1,305,646.92
10/13/2010		(350,000.00)	GIAEDC Annual Funding Request	\$955,646.92
10/22/2010	20.86		Interest earned	\$955,667.78
12/29/2010		(50,000.00)	Rogue Manufacturing	\$905,667.78
01/31/2011	916.75		Interest earned Nov-Jan 2011	\$906,584.53
05/25/2011		(225,000.00)	Standard Iron	\$681,584.53
05/25/2011		(100,000.00)	CNH America, LLC expansion	\$581,584.53
06/30/2011	1,807.57		Interest earned Feb-June 2011	\$583,392.10
08/31/2011	1,626.77		Interest earned July-Aug 2011	\$585,018.87
09/30/2011	193.86		Interest earned Sept 2011	\$585,212.73
<b>FISCAL 2012</b>				
10/01/2011	750,000.00		City transfer to EDC Fund	\$1,335,212.73
10/12/2011		(350,000.00)	GIAEDC Annual Funding Request	\$985,212.73
10/12/2011		(22,500.00)	City administrative fee	\$962,712.73
10/12/2011		(119,000.00)	CNH America, LLC	\$843,712.73
10/31/2011	29.43		Interest earned Oct 2011	\$843,742.16
11/30/2011	513.12		Interest earned Nov 2011	\$844,255.28
12/31/2011	228.08		Interest earned Dec 2011	\$844,483.36
01/31/2012	6.58		Interest earned Jan 2012	\$844,489.94
02/28/2012	160.79		Interest earned Feb 2012	\$844,650.73
03/31/2012	88.20		Interest earned Mar 2012	\$844,738.93
04/25/2012		(55,000.00)	Medberry Fabrication	\$789,738.93
04/25/2012		21,000.00*	Allocation to Medberry for future job creatio	\$768,738.93
04/30/2012		(575,000.00)	Transfer to City-Platte Valley Industrial Par	\$193,738.93



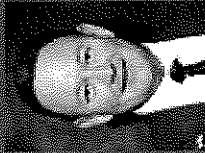
GRAND ISLAND AREA  
ECONOMIC  
DEVELOPMENT CORPORATION

**GIAEDC KEEPS  
GRAND ISLAND GROWING!**

# 2012 Board of Trustees



Chairman  
Ann Martin  
Idea Bank  
Marketing



Vice Chairman  
Tom Pirmie  
G.I. Express



Secretary/Treasurer  
Tom Cadowski  
Equitable Bank



Elected Trustee  
Galen Stehlik  
Lauritsen Law Firm



Elected Trustee  
Roger Bullington  
Chief Industries



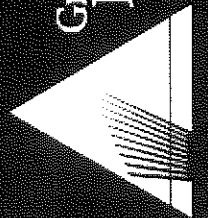
Elected Trustee  
KC Hehnke  
Jerry's Sheetmetal



Elected Trustee  
Jay Kaspar  
INSUR, Inc.



Elected Trustee  
Bill Westering  
Westering Enterprises

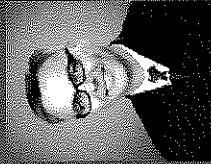


GRAND ISLAND AREA  
ECONOMIC  
DEVELOPMENT CORPORATION

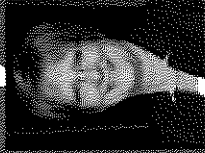
# 2012 Advisory Board



Pam Lancaster  
Hall Co. Board  
of Supervisors



Terry Pfeifer  
Chamber of  
Commerce  
Chairman



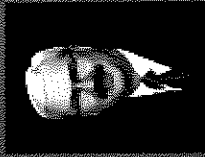
Mary Lou Brown  
City Administrator



Jim Hartman  
NorthWestern  
Energy



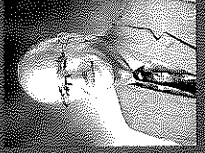
Mayor Jay  
Vavricek



Dr. Lynn Black  
Central  
Community  
College



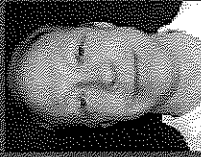
Randy Kissinger  
NE Workforce



Dr. Rob Winter  
G.I. Public  
Schools



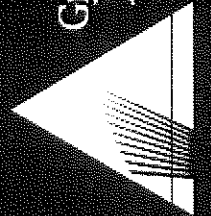
Peg Gilbert  
G.I. City Council



Mike Olson  
Hall Co. Airport  
Authority



Cindy Johnson  
G.I. Area Chamber  
of Commerce



GRAND ISLAND AREA  
**ECONOMIC**  
DEVELOPMENT CORPORATION

# GIAEDC Overview

The sole purpose of the EDC is the creation, retention and expansion of jobs in Grand Island!

- Recruit new qualified businesses and create jobs
- Help local businesses expand, train and invest in our community
- Promote a well-trained workforce
- Cooperate with other growth oriented organizations
- Lobby for pro-business legislation
- Work with community organizations to improve our quality of life



- Leader in the economic development arena
- LB-840 is a community tool that encourages permanent investment and creates quality job growth
- Citizens voted to leverage existing resources for the purpose of retaining and creating jobs



# Positive Impact of LB-840 2003 thru 2011

- Over 1,188 direct jobs created with LB-840 funds
- An estimated payroll of \$36,000,000 annually
- Over 2,100 indirect jobs created (NE Dept. of Labor)
- Over 3,300 total jobs created in the last 8 years
- Over 700 new jobs in 2011



# Job Growth Plan Moving Forward

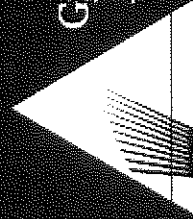
- Renew LB840 for another ten years at 2003 funding level, \$750,000/yr (general and utility funds)
- Improved applicant and financial requirements
- Continue to recruit new industries; whereby create jobs and growth in Grand Island!





# 2013 Forecast Income and Expenses

Since 1999 and prior to passage of LB-840 (2003)  
GIAEDC received \$350,000 annually  
from the City of Grand Island  
for operations



GRAND ISLAND AREA  
ECONOMIC  
DEVELOPMENT CORPORATION

Income:

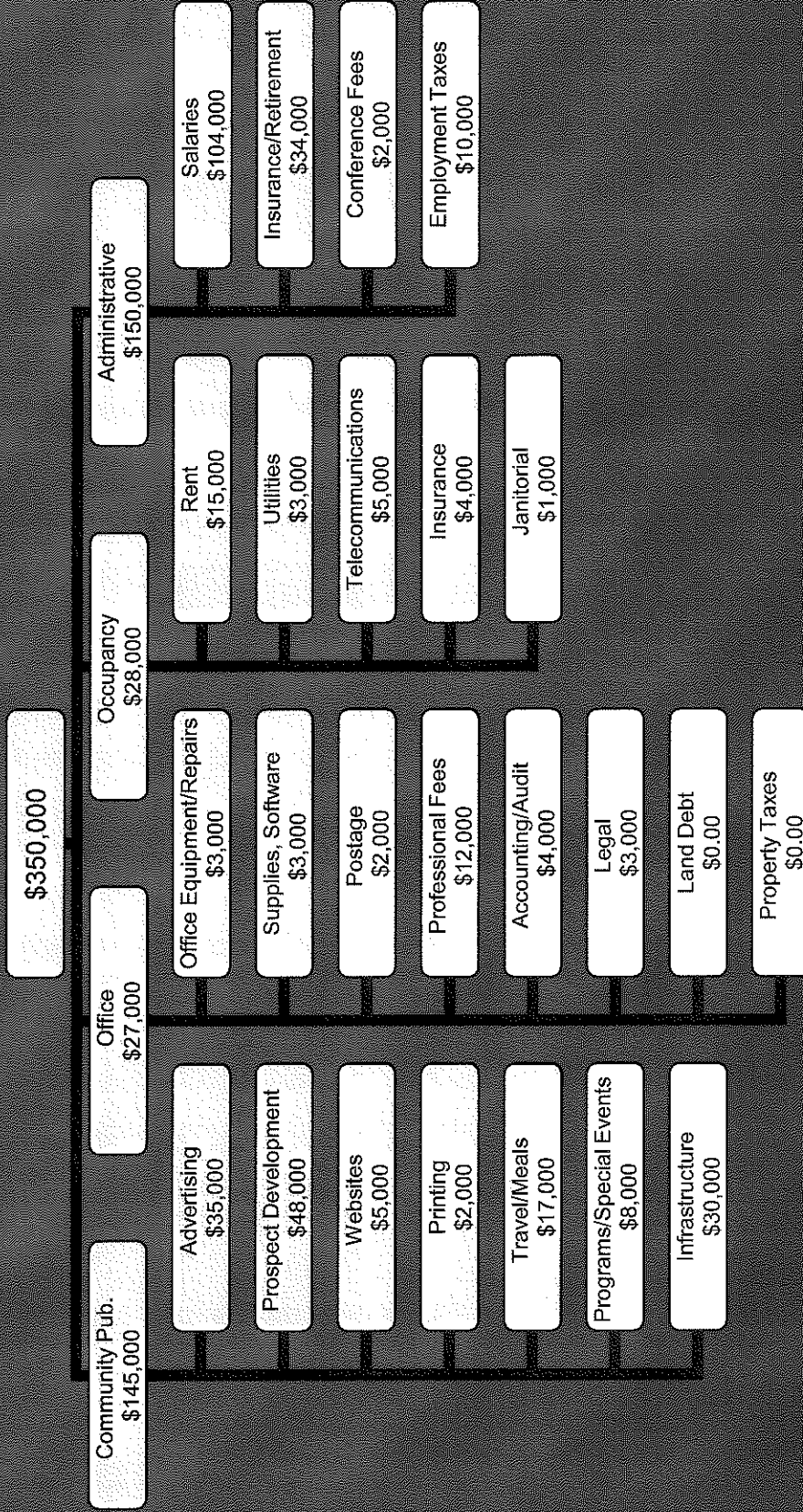
Participation	
City of Grand Island	\$350,000
Membership	125,000
Programs	16,000
Farm Income & misc.	<u>174,000</u>
	\$665,000

Expenses:

Operations	\$340,000
Industrial Park Development	180,000
Community Publicity	<u>145,000</u>
	\$665,000



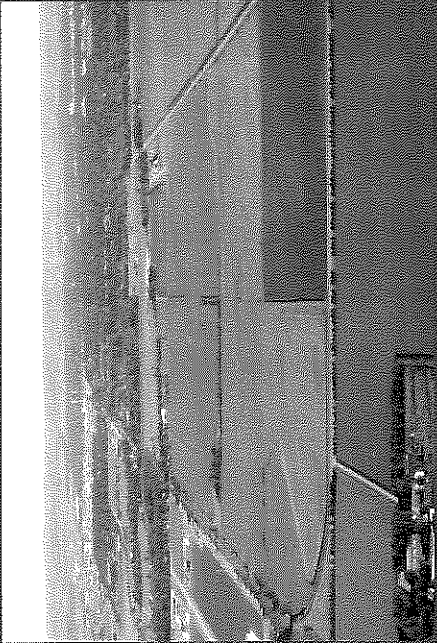
# Request for Funding From City of Grand Island General Fund



# These sites attract World Wide Companies



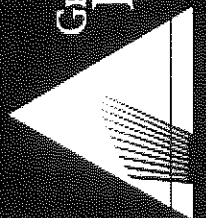
Platte Valley Industrial Park



Platte Valley Industrial Park East



Cornhusker Industrial Park



GRAND ISLAND AREA  
ECONOMIC  
DEVELOPMENT CORPORATION



**ANNUAL APPLICATION FOR ECONOMIC DEVELOPMENT LB-840 FUNDING**

1. Applicant Business Name Grand Island Area Economic Development Corp.

Address The Downtown Center, 308 North Locust, STE 400, Grand Island, NE 68801

Telephone ( 308 ) 381-7500

Email Address mferguson@grandisland.org

Business Contact Person Marlan Ferguson, President

Telephone ( 308 ) 381-7500

2. Business Organization:  Corporation  Partnership  
 Proprietor  Other

3. Business Type:  Startup  Existing  
 Business Buyout  Spec Building  
 Other

4. Project Location:  Within the city limits of Grand Island, Nebraska  
 Outside the city limits, but within the 2 mile zoning jurisdiction  
 Outside the zoning jurisdiction of Grand Island in (county) \_\_\_\_\_

5. Product or Services Provided: Economic growth, job creation, expansion of the tax base, and support for current businesses.

6. Project Description: Operations of the Grand Island Area Economic Development Corporation to include: administrative, occupancy, office and community publicity.

7. Project Timetable: October 1, 2012 thru September 30, 2013

8. Employment Information:

Current number of employees 2 (full-time equivalent)

Proposed number of employees N/A (full-time equivalent)

What is the average hourly wage for all employees? N/A

Number of new jobs to be created N/A (full-time equivalent)

What would be the average hourly wage for new jobs? N/A

Number of jobs to be retained, if any N/A (full-time equivalent)

Please describe all benefits which the business provides to employees: N/A

9. Financing/Incentives Requested: At this time the Grand Island Area Economic  
Development Corporation is requesting Three Hundred Fifty Thousand and NO/100 Dollars  
(\$350,000.00) as authorized by State Statute 13-315 and 18-2721 (LB-840).  
Funding will be utilized as stated in this application.  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

NOTE: Additional Information may be required and made part of this application by attachment.

To the best of my knowledge, this application and supporting information is accurate, and may be relied upon by representatives of the Grand Island Area Economic Development Corporation (GIAEDC).

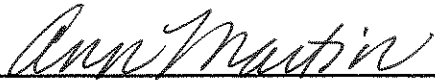
By: Marlan Ferguson  
Marlan Ferguson  
President  
Title

Date: 08/06/2012

Date Referred to Grand Island Area Economic Development Corp. Executive Committee: 8/6/2012

Approved:   x   Disapproved: \_\_\_\_\_ Date: 8/9/2012

Comments: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Signature of Chairman:   
Ann Martin, Chairman

---

Date Referred to Citizen's Review Committee: \_\_\_\_\_

Approved: \_\_\_\_\_ Disapproved: \_\_\_\_\_ Date: \_\_\_\_\_

Comments: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Signature of Chairman: \_\_\_\_\_  
Lisa Willman

---

Date Referred to City Council: \_\_\_\_\_

Approved: \_\_\_\_\_ Disapproved: \_\_\_\_\_ Date: \_\_\_\_\_

Comments: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Signature of Mayor: \_\_\_\_\_  
Jay Vavricek